

MINUTES OF THE CITY COUNCIL

CITY OF AUSTIN, TEXAS

Regular Meeting

January 3, 1963

10:00 A.M.

Council Chamber, City Hall

The meeting was called to order with Mayor Palmer presiding.

Roll call:

Present: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer

Absent: None

Present also: W. T. Williams, Jr., City Manager; Doren R. Eskew, City Attorney; Robert Beckham, Assistant Director of Public Works; Robert A. Miles, Chief of Police

Invocation was delivered by REV. I. W. OLIVER, Highland Park Baptist Church.

The Mayor asked to postpone the receiving of proposals for furnishing Television signal systems until 3:00 P.M., and those desiring to file proposals agreed.

MR. WALTER LINGO, Business Manager, Plumbers and Steamfitters Union Local 2086, stated he was under the impression that his men would be entitled to do construction work on the Holly Street Power Plant, since they were taxpayers and supported the local merchants. He said he had sent three or four men to apply for employment at the Power Plant, and they were told that men from other areas were being employed; and after room had been made for these out-of-town people, then these boys' names would be taken; and if they had room they would use them. Councilman White asked if they told Mr. Lingo they were going to get men from other places, and Mr. Lingo stated the men sent to the Plant were told that the labor was to be imported; but he understood that was not the agreement the Council had with Mr. Zachry. Councilman White stated it was his understanding they were going to use some men from here on this job. The Mayor thanked the group, Mr. Lingo, Mr. Lee Smith, Mr. Bill Erwin, and Mr. Kenneth Smith, for coming up, and stated the Council would look into this matter.

Councilman Perry moved that the Minutes of the Meeting of December 27, 1962, be approved. The motion, seconded by Councilman White, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer

Noes: None

Mayor Palmer introduced the following ordinance:

AN ORDINANCE ORDERING A CHANGE IN USE AND CHANGING THE USE MAPS ACCOMPANYING CHAPTER 39 OF THE AUSTIN CITY CODE OF 1954 AS FOLLOWS: TWO TRACTS OF LAND LOCALLY KNOWN AS 3303-3305 SOUTH FIRST STREET AND 3311-3315 SOUTH FIRST STREET, IN THE CITY OF AUSTIN, TRAVIS COUNTY, TEXAS, FROM "A" RESIDENCE DISTRICT TO "IR" LOCAL RETAIL DISTRICT; AND SUSPENDING THE RULE REQUIRING THE READING OF ORDINANCES ON THREE SEPARATE DAYS.

The ordinance was read the first time and Councilman Perry moved that the rule be suspended and the ordinance passed to its second reading. The motion, seconded by Councilman Armstrong, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer  
Noes: None

The ordinance was read the second time and Councilman Perry moved that the rule be suspended and the ordinance passed to its third reading. The motion, seconded by Councilman Armstrong, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer  
Noes: None

The ordinance was read the third time and Councilman Perry moved that the ordinance be finally passed. The motion, seconded by Councilman Armstrong, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer  
Noes: None

The Mayor announced that the ordinance had been finally passed.

Mayor Palmer introduced the following ordinance:

AN ORDINANCE ORDERING A CHANGE IN USE AND CHANGING THE USE MAPS ACCOMPANYING CHAPTER 39 OF THE AUSTIN CITY CODE OF 1954 AS FOLLOWS: LOT 5 AND THE EAST 62.62 FEET OF THE NORTH 196.59 FEET OF LOT 4, RIDGETOP GARDENS, FROM "A" RESIDENCE DISTRICT TO "BB" RESIDENCE DISTRICT; SAID PROPERTY BEING LOCATED IN THE CITY OF AUSTIN, TRAVIS COUNTY, TEXAS; AND SUSPENDING THE RULE REQUIRING THE READING OF ORDINANCES ON THREE SEPARATE DAYS.

The ordinance was read the first time and Councilman Perry moved that the rule be suspended and the ordinance passed to its second reading. The motion, seconded by Councilman Armstrong, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer  
Noes: None

The ordinance was read the second time and Councilman Perry moved that the rule be suspended and the ordinance passed to its third reading. The motion, seconded by Councilman Armstrong, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer  
Noes: None

The ordinance was read the third time and Councilman Perry moved that the ordinance be finally passed. The motion, seconded by Councilman Armstrong, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer  
Noes: None

The Mayor announced that the ordinance had been finally passed.

Councilman White offered the following resolution and moved its adoption:

(RESOLUTION)

WHEREAS, the Southwestern Bell Telephone Company has presented to the City Council tentative maps or plans showing the proposed construction of its underground telephone conduits in the streets in the City of Austin hereafter named and said maps or plans have been considered by the Director of Public Works; therefore

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

THAT the Southwestern Bell Telephone Company be and the same is hereby permitted to construct its underground telephone conduits in the following streets:

- (1) An underground Telephone Conduit in ENFIELD ROAD from West Lynn Street to Exposition Boulevard; the centerline of which underground telephone conduit shall be 17.0 feet south of and parallel to the centerline of said ENFIELD ROAD.
- (2) An underground telephone conduit in TEAKWOOD DRIVE from Burnet Road easterly 272 feet; the centerline of which underground telephone conduit shall be 3.0 feet north of and parallel to the south property line of said TEAKWOOD DRIVE.

That the work and construction of said underground telephone conduits, including the excavation of the streets and the restoration and maintenance of said streets after said underground telephone conduits have been constructed, shall be under the supervision and direction of the City Manager and in accordance with the ordinances and regulations of the City of Austin governing such construction.

The motion, seconded by Councilman Armstrong, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer  
Noes: None

Councilman White offered the following resolution and moved its adoption:

(RESOLUTION)

WHEREAS, by instrument dated September 6, 1939, of record in Volume 628, at pages 572-574 of the Deed Records of Travis County, Texas, an easement for drainage purposes was granted the City of Austin, in, upon and across all of the west 44 feet of the east 50 feet of Lot 1, Block 8, Broadacres, a resubdivision of Lots 21 through 24, Walling Place, a subdivision of a portion of the George W. Spear League Number 7 in the City of Austin, Travis County, Texas, according to a map or plat of said Walling Place being of record in Book 3 at page 14 of the Plat Records of Travis County, Texas; a map or plat of said Broadacres being of record in Book 3 at page 135 of the Plat Records of Travis County, Texas; and,

WHEREAS, the owners of the above described property have requested the City Council of the City of Austin to release the hereinafter described drainage easement; and,

WHEREAS, the City Council has determined that the hereinafter described portion of said easement is not now required and will not be needed now or in the future; Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

That the City Manager be, and he is hereby authorized, to execute a release of the hereinafter described drainage easement, to-wit:

All of the west 44 feet of the east 50 feet of Lot 1, Block 8, Broadacres, a resubdivision of Lots 21 through 24, Walling Place, a subdivision of a portion of the George W. Spear League Number 7 in the City of Austin, Travis County, Texas, according to a map or plat of said Walling Place being of record in Book 3 at page 14 of the Plat Records of Travis County, Texas; a map or plat of said Broadacres being of record in Book 3 at page 135 of the Plat Records of Travis County, Texas; which west 44 feet of the east 50 feet of Lot 1 was conveyed to the City of Austin by instrument dated September 6, 1939 of record in Volume 628 at page 572 of the Deed Records of Travis County, Texas.

The motion, seconded by Councilman Shanks, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer

Noes: None

Mayor Palmer introduced the following ordinance:

AN ORDINANCE PERPETUALLY VACATING AND CLOSING TO PUBLIC TRAVEL THAT PORTION OF WEST SIXTH STREET ALLEY TRAVERSING BLOCK 74 OF THE ORIGINAL CITY OF AUSTIN, TRAVIS COUNTY, TEXAS; RETAINING AN EASEMENT

ACROSS THE SOUTH FIVE (5.00) FEET OF THE WEST THIRTY-FIVE (35.00) FEET FOR AN ELECTRIC DOWN-GUY AND ANCHOR PURPOSES; AND SUSPENDING THE RULE REQUIRING THE READING OF AN ORDINANCE ON THREE SEPARATE DAYS.

The ordinance was read the first time and Councilman Shanks moved that the rule be suspended and the ordinance passed to its second reading. The motion, seconded by Councilman White, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer  
Noes: None

The ordinance was read the second time and Councilman Shanks moved that the rule be suspended and the ordinance passed to its third reading. The motion, seconded by Councilman White, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer  
Noes: None

The ordinance was read the third time and Councilman Shanks moved that the ordinance be finally passed. The motion, seconded by Councilman White, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer  
Noes: None

The Mayor announced that the ordinance had been finally passed.

The City Manager stated in the small subdivision on Hancock Drive west of Bull Creek Road (Highland Medical Center), there is only one street called Highland Medical Circle. As it is now located, there will not be sufficient room for some buildings if the normal setbacks are provided. It has been suggested that the subdivider dedicate additional land, and a part of the present street be vacated. The Attorney for the developer was interested to know if the Council would approve this before he goes before the Board of Adjustment. It was brought out that if the street were shifted  $17\frac{1}{2}'$ , a part of it would be over a substandard base. The City Manager stated the Planning Commission had suggested that the new dedication be made; but it was his recommendation that the street be reduced in width to 30' and no parking be permitted in the street itself. The Mayor stated four of the Council members had agreed (Councilman Perry was out of the room at this time) to take formal action on this after the attorney and subdivider had cleared their problems through the Board of Adjustment.

The City Manager reported a study on comparison of taxes in other Cities had been completed, and explained the manner in which this comparison had been figured. The adjusted tax rate per \$100 valuation shows Austin not to be the highest in tax rate nor the lowest, but rather to be in about the middle, of the eleven-city comparison. The Mayor stated this study shows Austin to be in a very favorable position with other cities. Comparison of taxes in other Cities is as follows:

# TAXES PAID BY CITIZENS OF TEXAS LARGEST CITIES - 1961

The following table shows the taxes per \$100 valuation paid by citizens in 11 Texas cities. A large industry has made studies of the tax valuation ratios used in the cities, counties, and districts listed in the table. The study consisted of listing many properties which were actually sold, setting forth the actual consideration paid for properties, and the tax valuation of the same properties as set by the taxing units. A ratio of tax value to true value was then determined for the taxing units by comparing the sum of the actual sales prices to the sum of the tax values of the same properties.

The actual tax rate being applied in 1961 to the tax values in each taxing unit was then adjusted by applying the results of the valuation ratio study to reflect the tax rate per hundred dollars of actual true value of property in each taxing unit. The results are shown in the following tabulation. No figures are available for the City and County of El Paso and districts therein.

CITY	CITY		SCHOOL		STATE & COUNTY		SPECIAL DIST.				SPECIAL DIST.				SPECIAL DIST.				TOTAL
	1961	Adj.	1961	Adj.	1961	Adj.	1961	Adj.	1961	Adj.	1961	Adj.	1961	Adj.	1961	Adj.	1961	Adj.	
	tax	rate	tax	rate	tax	rate	tax	rate	tax	rate	tax	rate	tax	rate	tax	rate	tax	rate	Adj. tax rate per \$100 Valuation
HOUSTON	2.00	.666	1.69	.563	1.6705	.278	H.C.F.C.D. Nav.Dist. CountySchoolEval.				.2045	.034	.045	.008	.01	.0017			1.55
DALLAS	1.56	.746	1.25	.598	1.29	.239	Avg.ofRd.dists Hospital				.165	.041	.25	.108	.46	.085			1.67
SAN ANTONIO	1.82	.789	1.23	.533	1.45	.362	#1,2,3,4 Jr.College Hospital RiverAuthority				.165	.041	.25	.108	.60	.149	.02	.005	1.987
FORT WORTH	1.65	.679*	1.54	.630*	1.54	.371	T.C.WL.&ID #1 CountyHospitalDist				.16	.039			.30	.072			1.791
AUSTIN	1.15	.711	1.21	.755	1.57	.311	L.N.R.&S.Dist. Jr.College Nav.Dist.				0	0	.23	.113					1.777
CORPUS CHRISTI	1.60	.788	1.30	.637	1.7015	.439	Jr.College Hospital				.14	.076	.16	.087	.0785	.00194			1.979
AMARILLO	1.27	.692	1.39	.756	1.29*	.242	L.C.W.C.& #1 High Plains WD				.08	.0221	.05	.014					1.853
LUBBOCK	1.50	.692	1.65	.761	1.20	.331	Lamar Coll.Dist.Port Authority DrainDist.#6 Navigation				.03	.004	.25	.032	.69	.088	.15	.002	1.82
BEAUMONT	1.80	.609	1.61	.766	1.65	.209	Jr.College				.26	.126							1.71
WICHITA FALLS	1.47	.713	1.40	.679	1.47	.361													1.879
WACO	1.65	.748	1.70	.712	1.52	.218													1.678

\*City of Fort Worth and Fort Worth I.S.D. are in the process of revaluation. Tentative estimate of the result of

revaluation indicates an adjusted tax rate of approximately .759 for the City and .708 for the I.S.D.

The City Manager stated the Urban Renewal Commission had asked that all zoning changes in the Urban Renewal areas be held up until it had an opportunity to study them. The Urban Renewal Commission also asked that the Building Inspector hold up building permits until they see if any changes in the building permits are inconsistent with the plans in the area. The Mayor stated the Council would ask the Building Inspector to submit those requests for building permits in these urban renewal areas to the Urban Renewal Commission for clearance and then bring them back to the Council for approval.

The City Manager stated the AUSTIN SENATORS, INC., a new corporation, had proposed a new lease on Disch Field. The Mayor asked that copies be prepared and furnished the Council, and then this could be discussed.

MR. H.A. DUNN complimented the Council for doing a good job, and stated his pride in the City. He stated he had shipped about 650,000 books all over the world and had stamped them as having come from him at the University of Texas, Austin, Texas. He suggested an activity of retired people would be to work with juvenile delinquents, and thus reduce delinquency.

MR. H. G. WEST appeared and submitted a letter asking to withdraw his zoning application at the rear of 2342-2344 Rosewood Avenue, from "C" Commercial to "C-1" Commercial. Councilman Armstrong moved that the Council honor his request to withdraw the following zoning application:

H. G. WEST	Rear of 2342-44 Rosewood Avenue	From "C" Commercial To "C-1" Commercial NOT Recommended by the Planning Commission
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The motion, seconded by Councilman Perry, carried by the following vote:  
Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer  
Noes: None

Pursuant to published notice thereof the following zoning applications were publicly heard:

RICHARD A. OBENHAUS	817-819 East 53 $\frac{1}{2}$ Street	From "C" Commercial To "C-2" Commercial RECOMMENDED by the Planning Commission
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MR. SIDNEY PURSER represented Mr. Obenhaus, stating Mr. Obenhaus had leased the property for a small beer lounge, the building to occupy only 30'x50'. The application covers a larger area, but Mr. Obenhaus had stated to the Planning Commission that he was willing to limit the "C-2" zone to this 30'x50'. Opposition was expressed by MR. HARVEY GANN, 900 East 53rd Street, stating there was no need in this part of town; that the zoning would permit a dance hall or beer

tavern or honky-tonk, and the location is between the school and a large residential section. School children would have to pass by this tavern. The large parking area just east of this establishment would have parked cars up into the early morning hours. MR. S. M. CRIDER opposed as this zoning would depreciate his property. Mr. Purser explained the adjacent area was not to be used for parking, nor would this be a drive-in operation. The Mayor asked Mr. Purser if he would reduce this area to the building area, and if he would eliminate any drive-in. Mr. Purser stated they would; that they offered to limit the area to the 30'x50' covered by the building, and that they did not intend to have beer except in the building; and they would get the survey, and submit it. Councilman Shanks moved that the Council sustain the Planning Commission and grant the change. The motion, seconded by Councilman White, carried by the following vote:

Ayes: Councilman Armstrong, Perry, Shanks, White, Mayor Palmer  
Noes: None

The Mayor announced that the change had been granted to "C-2" Commercial and the City Attorney was instructed to draw the necessary ordinance to cover.

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G. D. BATEN	3713 McDonald Avenue	From "A" Residence
	1105-1107 West 38th Street	To "O" Office
		RECOMMENDED by the
		Planning Commission

No opposition appeared. Councilman Perry moved that the change to "O" Office be granted. The motion, seconded by Councilman Shanks, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer  
Noes: None

The Mayor announced that the change had been granted to "O" Office and the City Attorney was instructed to draw the necessary ordinance to cover.

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MRS. JUNE H. BREWER,	1700-1804 East 19th Street	From "A" Residence 1st
ET AL	1901-1911 Leona Street	Height & Area
By Fred L. Tarver	1900-10 & 1901-11 Salina St.	To "B" Residence 2nd
	1701-1805 East 20th Street	Height & Area
		NOT Recommended by the
		Planning Commission
		RECOMMENDED "B" Resi-
		dence 1st Height & Area

Inquiry was made by Mrs. Lovie May Davis, as to what was to be constructed. MRS. BREWER stated she planned an apartment house with one-bedroom units to keep down density, and would provide adequate off-street parking. Mrs. Brewer was not satisfied with the "B" Residence 1st Height and Area but stated she would agree to accept it. Councilman White moved that the change be granted as recommended



by the Planning Commission. The motion, seconded by Councilman Perry, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer  
Noes: None

The Mayor announced that the change had been granted to "B" Residence 1st Height and Area and the City Attorney was instructed to draw the necessary ordinance to cover.

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C. L. REEVES 910 West 19th Street  
By Robert C. Sneed

From "B" Residence 2nd  
Height & Area  
To "O" Office 2nd  
Height & Area  
RECOMMENDED by the  
Planning Commission

One property owner appeared, not in opposition, but to inquire about the wording in the notice "or to any other classification provided in the Zoning Ordinance." The City Attorney explained. Councilman Perry moved that the change to "O" Office 2nd Height and Area be granted. The motion, seconded by Councilman Armstrong, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer  
Noes: None

The Mayor announced that the change had been granted to "O" Office 2nd Height and Area and the City Attorney was instructed to draw the necessary ordinance to cover.

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MANOR APARTMENTS, INC. Tract 1  
By Robert C. Sneed Rear of 1616-1714 Manor  
Road

From "A" Residence 1st  
Height & Area  
To "B" Residence 2nd  
Height & Area

Tract 2  
Rear of 1712-14 Manor  
Road

From "A" Residence 1st  
Height & Area  
To "C" Commercial 2nd  
Height & Area

Tract 3  
1712-14 Manor Road

From "C" Commercial 2nd  
Height & Area  
To "C-2" Commercial 2nd  
Height & Area

RECOMMENDED by the  
Planning Commission  
and to establish "B"  
Residence 2nd Height &  
Area for Rear 1700  
Manor Road. (Additional  
area)

No opposition appeared. Inquiries were made concerning the "C-2" Commercial classification, and the area in question. Councilman Shanks moved that the change be granted. The motion, seconded by Councilman White, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer

Noes: None

The Mayor announced that the change had been granted to "B" Residence 2nd Height and Area for Tract 1, to "C" Commercial 2nd Height and Area for Tract 2, to "C-2" Commercial 2nd Height and Area for Tract 3, and to "B" Residence 2nd Height and Area for Rear 1700 Manor Road, and the City Attorney was instructed to draw the necessary ordinance to cover.

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HENRY G. KRAUSS

516-518 East Oltorf St.  
2311-2315 Rebel Road

From "O" Office  
To "IR" Local Retail  
RECOMMENDED by the  
Planning Commission

No opposition appeared. Councilman White moved that the change to "IR" Local Retail be granted. The motion, seconded by Councilman Perry, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer

Noes: None

The Mayor announced that the change had been granted to "IR" Local Retail and the City Attorney was instructed to draw the necessary ordinance to cover.

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LUCILLE WELLS

ESTATE

By Richard E. Chalmers

3120-3128 Guadalupe Street  
601-611 West 32nd Street

From "C" Commercial  
To "C-1" Commercial  
RECOMMENDED by the  
Planning Commission

MR. RICHARD CHALMERS represented the applicant as agent selling the property for the purpose of putting in a drive-in restaurant to sell beer for on-premise consumption. He stated both "C-1" Commercial and "C-2" Commercial existed in the area. DR. JOHN R. SILBER objected, stating he invested more in his home than the cost of a hamburger hut and paved parking area; the difference in "C" and "C-1" means keeping office hours until 11:00 P.M. and 1:00 A.M. He stated the taxpayers should expect that zoning should remain precisely as is unless there is a real good reason for changing. He said the City would not benefit from such a small permanent investment of approximately \$15,000. A much better investment could be placed on this commercial property. The concentration of 100 cars on this lot would be a serious menace to the people and to the number of children. The residential property on Guadalupe and in Aldridge Place on 32nd Street will be substantially reduced in value. The personal loss would exceed the financial loss. The western part of Aldridge Place will deteriorate rapidly, and the loss will not be compensated for by this 10 to 15 thousand dollar investment. MRS. LEON DONN, 617 West 32nd Street asked that the recommendation of the

Planning Department be postponed until all the people living in the area are notified, as she did not receive a notice. Opposition was expressed by MR. and MRS. DUDLEY MILLER, MRS. JOHN L. MORLEY, and MR. JOHN L. MORLEY, JR., who stated Dr. Jewett had signed a petition favoring the change, but he understood this development would be a Restaurant and not a drive-in. He asked if the Planning Commission desired to improve the neighborhood, how could a drive-in beer joint do it. The apartment groups on 32nd and West Avenue would cause 32nd Street to become a speedway. The effect of this zoning would carry more than 300'. A non-resident owning property on the south side of 32nd Street wanted to support the voice of the residents in the area. He wanted what was best for the city and locality. MRS. McCALEB stated Mr. Price had tried to get his property re-zoned for a medical office, but the Council turned it down on the basis it would deteriorate the neighborhood. If a medical office would deteriorate a community, how could a beer joint improve it. MR. CHALMERS noted everyone was calling this a "beer joint", and it is more of a restaurant than a beer joint. He inquired where Dr. Silbers obtained his information about the "hut" and amount of investment. Dr. Silbers explained. MRS. McCALEB asked if the policy of the Planning Commission to recommend "C-1" in well established "C" areas would apply here when both sides of the street were not "C". The Mayor stated the Council would go by and look at this area, and decide next week. The Council postponed action until it could make a personal inspection of the area.

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PHILIP CRAWFORD  
By Joe Palmaro

1400-06 Ft. View Road

From "C" Commercial  
To "C-1" Commercial  
NOT Recommended by the  
Planning Commission

Councilman Perry moved that the change to "C-1" Commercial be DENIED. The motion, seconded by Councilman Shanks, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer  
Noes: None

The Mayor announced that the change had been denied.

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The Council recessed at 12:15 until 3:00 P.M.

RECESSED MEETING

3:00 P.M.

At 3:00 P.M. the Council resumed its business.

The Council received proposals for furnishing television signal distribution systems in Austin. The Mayor stated those who desired to, might summarize their proposals, and the Council would study the proposals and make a decision at the earliest possible date.

MR. FRANK DENIUS represented CAPITAL CABLE COMPANY, a subsidiary of MID-WEST VIDEO CORPORATION, and introduced officials of both companies and others

interested. He said CAPITAL CABLE had filed an application for additional TV viewing in 1957, and had discussed this matter with the Council and had worked on the application and engineering. Filed with the Council at this date was a supplemental proposal, which Mr. Denius reviewed. He stated the contract would be commenced immediately upon receipt of authority by the City, and subscribers would begin to receive TV Service within 120 days and service to other areas would commence just as soon as possible. Charges are as follows:

Installation Charge	\$11.95
Monthly Service Charge	4.75
Reconnection Charge	4.00
Alternate: At customer's choice	
--no installation charge, and a	
monthly service charge not to ex-	
ceed \$4.95.	

MR. DENIUS reviewed the consideration to be paid to the City for use of the poles, the various taxes, payments for utilities and listed the minimum amount of insurance to be provided for public liability, property damage, and for coverage under Workmen's Compensation. He then described the type of service offered stating stations holding basic network affiliations with ABC, NBC, and CBS networks, KTBC-TV, KTBC-FM and KLRN-TV, and UHF stations which may come in will be covered. Capital Cable proposes to protect the interests of both subscribers and non-subscribers in continuing free TV Service to non-subscribing customers; and will not dilute the advertising done by Austin Merchants in any media--radio, TV, billboards or local newspapers. He explained advertising of local advertisers from other cities would be blocked out. MR. DENIUS listed the Texas citizens who were interested in the Capital Cable Company. He said KTBC-TV had a right to acquire 50% of the stock in Capital Cable Company. After summarizing the proposal, Mr. Denius stated Capital Cable Company was ready to proceed. MR. DONALD THOMAS pointed out the threat of pay TV, and the problems Cable TV propose to KTBC-TV, and stated the reasons KTBC-TV joined this Company in 1957. He outlined the problems of the local station at present on the New York market. He said the only way that free TV could be preserved in Austin for those who could not afford to pay for other TV viewing would be through this Company which is the only one which has any motive or any desire or dedication to protect the people (even through a law suit such as Mr. Cofer had mentioned). Its desire to protect the local merchants is also through its own desire to survive.

MR. TRUEMAN O'QUINN represented the incorporators of INDEPENDENT CABLE TELEVISION OF AUSTIN, INC., MR. R. T. SONNY DAVIS, MR. RICHARD F. BROWN, and himself, and MR. GLENN FLINN of Tyler, an associate. He said in view of the fact the other Company had filed first would not preclude anyone else's filing, particularly since the Council had decided on December 13th there was a public demand for additional TV viewing and invited people to make proposals. He stated his Company was an independent company, not a subsidiary of any company, and they thought this should be a venture which should be wholly uncontrolled by any other interests so that it would be strictly competitive in trying to bring the finest TV possible to Austin. He reviewed the specific proposal stating ICTV was prepared to start construction immediately and that manufacturers say construction of the system

will commence within 30 days. Materials available locally will be purchased locally. The Community Antenna system, estimated cost of which will be \$1,500,000 not including motor equipment or buildings, will be capable of distributing 12 channels. He read the description of the system as it would begin with "Off the Air Pick Up", then immediately application would be made for "Micro-wave-relay-service". The service would bring in UHF stations in San Antonio, Channels 7 and 9, all Austin FM radio stations, and UHF signals when available for Austin Stations; plus a 24-hour weather scanner. Under the Micro-wave relay service, UHF stations from San Antonio and Fort Worth would be brought in. To protect the local advertisers, the Company would not simultaneously duplicate any program carried on the local station; and if that programming occurred, the local station program would be switched to that channel and the program would appear on the local and the out-of-town channels. As to editing the advertising, he saw no objections. He read the proposals for payments to the City for pole rentals, for gross receipts and ad valorem taxes, estimated the electric energy to be used annually around \$36,000; and for other services. Rates to the public would be as follows:

No charges for connections to the cable television system; but in lieu of an installation charge, a refundable deposit for each subscriber not to exceed \$25.00, which will be returned to the subscriber after 36 months by applying \$1.00 per month to the service bill for 25 months.

A monthly service charge not to exceed \$5.00 per subscriber. (Set at \$5.00 as it may be necessary when the micro-wave relay service goes in, to charge up to \$5.00, but not over that amount)

MR. EDWARD P. WHITNEY, AMECO, Engineer who will construct the system for Independent Cable Television, stated his company had found ICTC adequately able to finance the project. Mr. O'Quinn stated the system would be in full scale construction in 30 days or less, and by summer the customers could be tuning in. The principle tune-in would be with the beginning of the new TV year in September. Councilman Shanks inquired about the manner in which Mr. O'Quinn would handle the advertising of the local merchants. Mr. O'Quinn said he was not prepared to give a legal opinion on editing out advertising coming in on other channels; but if it is legal, he saw no objection to doing it, and it would be done if it is legal and technically possible.

MR. JOHN D. COFER represented MR. EDDIE JOSEPH and MR. ROBERT JOSEPH, and asked if Cable TV is coming into Austin that there be a provision in the contract limiting and excluding from these people the right of TV movies in the home. He asked that they be prohibited or that they agree not to buy films and transmit them over their cable. Mr. Joseph had just filed an application to bring motion pictures electronically into the homes. Mr. Cofer said Mr. Joseph's application was not in conflict with any of the others. Mr. Joseph can make similar arrangements with the Telephone Company, if there is room enough on their poles for his cable system. He stated the picture would run from .50¢ to \$1.50 for the feature pictures.

MR. LLOYD A. CALHOUN, representing MICO CORPORATION, Dallas, said MR. LARRY HUDSON, Cable TV Construction, Inc., made an application for a franchise in Austin. Shortly after, MR. C. A. SAMMONS joined him should he be successful in obtaining a franchise for Cable TV in Austin. Mr. Calhoun gave references for Mr. Sammon's financial ability. He discussed the application for an ordinance granting a franchise in detail, asking that the franchise not be limited to only off-the-air signals, as there has been an interest expressed in FM background music, teaching of languages, and other courses, and weather reports. He listed the length of the contract, reviewed the insurance provisions, and discussed the engineering and technical provisions of the application. Charges are as follows:

Monthly service charge not to exceed \$5.00.

Installation fee not to exceed \$25.00.

Nominal recommendation and transfer of an installation charge.

Mr. Calhoun suggested a franchise tax at 2% which would be passed on to the customer. He stated their band system could carry the maximum number of channels of TV and FM, and they agreed that they would within their capabilities make available TV signals of existing and pending local television stations. He stated MICO would not promise that it would deliver any microwave television signals into its cable system from a distant point; but should the F.C.C. approve the transmission of such signals, and if it is economically feasible to deliver them, MICO would make the signals available. Educational facilities will be made available if it is electronically feasible. As to the construction, MICO will proceed just as soon as engineering could be prepared and then proceed at a constant pace as long as it is economically feasible and as long as the system is accepted. MICO will proceed with construction at a substantial pace and not wait for the system to earn sufficient money to do the construction. He answered Councilman Shanks' inquiry about the timing stating it would be from 60 to 90 days before the pictures could be shown; then enlargement of the system would be accelerated. He stated this Company was well qualified in all phases, to construct and operate this service. As to the poles, he stated the Company would negotiate with the City.

MR. GAYNOR KENDALL, representing the VUMORE COMPANY, stated this Company was the largest operators of community antenna systems TV in the southwest; is a wholly owned subsidiary of General Tire and Rubber Company, and has the necessary backing to install and operate this system. He explained two systems that are used--one by means of a single tall tower or receiving antenna to pick up signals from the air, and then the signals are put on a coaxial cable, and distributed locally; the other method is the micro-wave relay which picks up signals close to the transmitting station and brings them over a series of micro-wave relay installations to the city where the picture is to be distributed. He stated this method was better, the picture is better, the operation is more costly and involves substantially more capital expenditures and more cost in the month to month operation. Vumore is equipped to offer either type of service, but Vumore thought the City deserved the best, and Vumore has come up with the best proposal. VUMORE proposes to bring in from Fort Worth and Dallas Channels 4,5,8 and 11; from Houston Channels 2,11 and 13; plus Channel 7, KIRN-TV, and a 24 hour weather-scan. The broadcast by the local stations will be carried in lieu of other stations carrying the same program. The system will have available four FM radio station broadcasts, and UHF when it comes in. Alert announcements would be transmitted over all channels. He stated this system would give Austin the best possible

system, and greatest selection possible. Charges are as follows:

\$4.00 per month per subscriber payable  
monthly in advance.  
No installation charge.

Mr. Kendall stated the Company, in order to recoup the investment, desired a franchise granting it exclusive rights to operate the system for 20 years; that it be granted permission to use the existing utility poles of the city, for which an annual per-pole rental which is usual and customary or which the Council may think fair and reasonable, will be paid. The Company will pay the going rate for whatever the City furnishes it; will pay the going rate for electricity, pay taxes plus the gross receipts taxes, etc. As to the installation time, VUMORE will need the approval of the FCC, and it cannot foretell how long that will take. If there is a delay, it takes two weeks to build a tower to get all the signals, and VUMORE will put in a tower and operate off-the-air. The system will be installed throughout the city so that anyone who wants the service will have it available, and it is proposed to complete that installation within 12 months from the time of granting of the franchise and approval from the FCC and getting clearance on the poles. In the event of litigation, the Company would ask for additional time. He said their proposal would give the City the best quality pictures, at a reasonable rate, with the greatest selection that they could make. Mr. Kendall stated all who offered the micro-wave relay system would have to have FCC approval.

MR. HAMILTON MOSES, representing MIDWEST VIDEO and CAPITAL CABLE CO., stated their application had been filed first, and continuous interest had been manifested by the company ever since. He stated the fact this company already had arrangements for the tall tower and had its studies and maps, that this should be considered, and the Capital Cable Company's proposal be accepted.

MR. CHESTER SNYDER, representing the down-town merchants, stated they were vitally interested in what advertising is brought into Austin, as they did not want anybody's advertising but their own; and if they are to have this type of TV, may it be the system that has one of those buttons that someone will push to shut out this out-of-town advertising.

MAYOR PALMER stated the Council would take this under consideration and try to do something on this as early as possible. He said it may be the Council would have to call on each of the applications to clear up some particular point or get some information; but the Council hoped to reach a decision within a short time. He thanked the applicants.

Councilman Shanks offered the following resolution and moved its adoption:

(RESOLUTION)

WHEREAS, the State of Texas acquired Lot 5, Block 116, in the Original City of Austin, Travis County, Texas, for development of Interstate Highway No. 35; and,

WHEREAS, said Lot 5 has been declared by the Texas Highway Department to be no longer needed for its purposes; and,

WHEREAS, said Lot 5 is not needed by the citizens of Austin for public street purposes; Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

That it is hereby officially determined and declared that Lot 5, Block 116, in the Original City of Austin, Travis County, Texas, is not now needed for public street purposes and that a copy of this Resolution be forwarded to the Texas Highway Department.

The motion, seconded by Councilman Armstrong, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, Mayor Palmer

Noes: None

Not in Council Room when the roll was called: Councilman White

There being no further business, Councilman Perry moved that the Council adjourn. The motion, seconded by Councilman Armstrong, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer

Noes: None

The Council adjourned at 6:00 P.M., subject to the call of the Mayor.

APPROVED

Lester E. Palmer  
Mayor

ATTEST:

Elsie Marsley  
City Clerk